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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

APR 23 2015

SUSAN BITTERSMTTH - Chairman
 BOB STUMP
 BOB BURNS
 DOUG LITTLE
 TOM FORESE

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
 GRANITE MOUNTAIN WATER COMPANY,
 INC. FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02467A-09-0333

IN THE MATTER OF THE APPLICATION OF
 GRANITE MOUNTAIN WATER COMPANY,
 INC. FOR APPROVAL OF FINANCINGS.

DOCKET NO. W-02467A-09-0334

IN THE MATTER OF THE APPLICATION OF
 GRANITE MOUNTAIN WATER COMPANY,
 INC. FOR AUTHORITY TO INCUR LONG-TERM
 DEBT.

DOCKET NO. W-02467A-10-0483

DECISION NO. 75031

ORDER EXTENDING DEADLINES
IN DECISION NO. 74384

Open Meeting
 April 14 and 15, 2015
 Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the
 Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. Granite Mountain Water Company, Inc. ("GMWC") is a for-profit Arizona "S"
 corporation providing water utility service to approximately 110 customers in a service area located
 approximately three miles north of Prescott, in Yavapai County.

2. In Decision No. 74384 (March 19, 2014), the Commission modified, pursuant to
 A.R.S. § 40-252, several Commission Decisions¹ in regard to GMWC's method of resolving its
 inadequate storage capacity and the deadline for the resolution to be completed. *Inter alia*, Decision

¹ These were Decision Nos. 71869 (September 1, 2010), 72294 (May 4, 2011), and 72377 (May 27, 2011).

No. 74384 required GMWC to file, no later than June 30, 2014, copies of an Approval of Construction ("AOC") for Well No. 6 and copies of an AOC for a 50,000-gallon storage tank.

3. On June 30, 2014, GMWC filed a Report to the Commissioners and Request for Extension of Time ("Request") seeking to have the deadline for filing the AOCs extended from June 30, 2014, to November 1, 2014. GMWC stated that the financing to fund the project had been approved and funded on May 29, 2014, making it impossible to complete the construction and connection of the storage tank by June 30, 2014.

4. On March 13, 2015, the Commission's Utilities Division ("Staff") filed a Memorandum recounting that, according to GMWC's manager, construction of Well No. 6 and the 50,000-gallon storage tank should be completed by March 30, 2015, and June 30, 2015, respectively. Staff asserts that GMWC should be provided an additional three months following completion of construction to obtain the required AOCs. Staff also observes that GMWC waited until the actual due date to file its Request herein.

5. In its Memorandum, Staff recommends the following:

(a) That the due date for GMWC to file the AOC for Well No. 6 be extended to June 26, 2015;

(b) That the due date for GMWC to file the AOC for the 50,000-gallon storage tank be extended to September 25, 2015;

(c) That no further extensions of time be granted in this matter; and

(d) That GMWC be required to file any future requests for extension of time (in this or any other docket) at least 90 days before the existing due date.

6. GMWC has not filed a response to Staff's Memorandum.

7. It is fair and reasonable to adopt Staff's recommendations set forth in Findings of Fact No. 5(a), (b), and (d), and we will do so.

8. The Commission has already granted GMWC multiple modifications and extensions regarding requirements for resolution of its inadequate storage capacity. Because of the possibility for unforeseen issues to arise through no fault of GMWC, we do not adopt Staff's recommendation set forth in Findings of Fact No. 5(c) by prohibiting further extensions in this docket. However, we

1 will require GMWC to demonstrate compelling circumstances as a prerequisite to obtaining any
2 future extension requested regarding the requirements for resolution of its inadequate storage
3 capacity.

4 **CONCLUSIONS OF LAW**

5 1. GMWC is a public service corporation pursuant to Article XV of the Arizona
6 Constitution and A.R.S. Title 40.

7 2. The Commission has jurisdiction over GMWC and the subject matter of GMWC's
8 Request.

9 3. It is fair and reasonable and in the public interest to adopt Staff's recommendations set
10 forth in Findings of Fact No. 5(a), (b), and (d).

11 4. It is fair and reasonable and in the public interest to require GMWC to demonstrate
12 compelling circumstances as a prerequisite to obtaining any future extension of any of the
13 requirements imposed by the Commission to resolve GMWC's inadequate storage capacity.

14 **ORDER**

15 IT IS THEREFORE ORDERED that the Commission hereby extends, to June 26, 2015, the
16 deadline for Granite Mountain Water Company, Inc. to file with the Commission's Docket Control
17 copies of the Approval of Construction for Well No. 6.

18 IT IS FURTHER ORDERED that the Commission hereby extends, to September 25, 2015,
19 the deadline for Granite Mountain Water Company, Inc. to file with the Commission's Docket
20 Control copies of the Approval of Construction for the 50,000-gallon storage tank.

21 IT IS FURTHER ORDERED that Granite Mountain Water Company, Inc. must demonstrate
22 compelling circumstances as a prerequisite to obtaining any future extension of any of the
23 requirements imposed by the Commission to resolve Granite Mountain Water Company, Inc.'s
24 inadequate storage capacity.

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1 IT IS FURTHER ORDERED that Granite Mountain Water Company, Inc. shall file any
2 future requests for extension of time, in this or any other docket, at least 90 days prior to the existing
3 deadline for the requirement in question.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

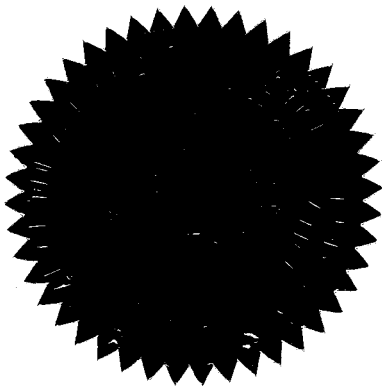
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8 CHAIRMAN

COMMISSIONER

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10 COMMISSIONER

COMMISSIONER

COMMISSIONER



12 IN WITNESS WHEREOF, I, JODI JERICH, Executive
13 Director of the Arizona Corporation Commission, have
14 hereunto set my hand and caused the official seal of the
Commission to be affixed at the Capitol, in the City of Phoenix,
this 23rd day of April 2015.

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17 JODI JERICH
EXECUTIVE DIRECTOR

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19 DISSENT _____

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21 DISSENT _____
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1 SERVICE LIST FOR: GRANITE MOUNTAIN WATER COMPANY, INC.
2 DOCKET NOS.: W-02467A-09-0333, W-02467A-09-0334, AND W-
3 02467A-10-0483
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